

**AMENDMENTS TO THE SPECIFICATION**

At page 1, please replace the paragraph beginning at line 26 and ending at page 2, line 10, with the following:

In accordance with embodiments of the present invention, a method for reducing telephone usage charges billed by a telephone service provider for~~connecting~~ a mobile or cellular telephone with a reduced rate service for incoming calls connected to a target telephone utilizes the Internet as a viable communications network via a computer system. The method comprises the steps of having the computer system call the sender telephone and the target telephone and then bridging the two connections. This allows both ends of the call to treat the call as an incoming call, using the computer as the sender. There are several variations on how this may occur. In one embodiment the caller dials from the sender or source telephone to a local computer system connection. After at least two rings the caller disconnects. The computer system uses an automated caller-ID system to determine the sender's call-back number and calls the sender. Once the sender is connected to the computer system the sender instructs the computer system to call the target number. This instruction can take many forms: the sender may dial the target number, the sender may dial a shortcut number pre-programmed into the computer system, or the caller may simply speak the name of the recipient utilizing voice recognition technology. The computer system then initiates a call to the recipient and connects the call. The computer then acts as the "bridge" connecting outgoing calls from the computer to both the "sender" and "receiver", with receiving a free, or lower rate, incoming call.-

At page 2, please replace the paragraph beginning at line 19 and ending at line 22 with the following:

A common feature of all of the embodiments is that both the sender and receiver telephone service provider recognizes the completed call as ~~an~~ an incoming call. This

provides substantial opportunities for cost savings on plans where incoming calls are billed at a lower rate than outgoing calls.

At page 3, after line 5 and before the paragraph beginning at line 6, please insert the following paragraphs:

In an embodiment of the present invention, a method of reducing telephone usage charges by a telephone service provider includes communicating to an incoming call server of a computer system a source telephone number of a source telephone, the source telephone number having a telephone billing rate plan providing a discounted rate for incoming calls, and communicating to the computer system a target telephone number of a target telephone. The communication of the source telephone number can be accomplished by dialing a computer system telephone number for the computer system from the source telephone and disconnecting the source telephone after at least two rings of a ring sequence, an incoming call server of the computer system determining and recording the source telephone number of the source telephone from caller ID information embedded in a ring sequence of the telephone call from the source telephone. A call is then initiated from an outgoing call server of the computer system on a first telephone line to the source telephone, the outgoing server networked to the incoming call server. The communication of the target telephone number can be accomplished by providing the target telephone number to the outgoing server during the call back.

Upon receiving target data comprising a target telephone number, a call is also initiated from the outgoing call server of the computer system on a second telephone line to the target telephone. The source telephone on the first telephone line and the target telephone on the second telephone line are then connected via the outgoing server of the computer system to define a telephone call. This connection is made such that a source telephone service provider for the source telephone number and a target telephone service provider for the target telephone number each interpret the telephone call as an incoming call, the source telephone provider billing the source telephone number at the discount rate for incoming calls for the telephone call.

An embodiment of the present invention, a file server of the computer system, separate from the incoming call server, receives the target telephone data comprising the target telephone number. The outgoing call server, separate from and networked to the incoming call server and a file server, preferably through a local area network, receives the source telephone number from the incoming call server to initiate the incoming call back to the source telephone and receives the target telephone number from the file server during the call back to initiate the incoming call to the target telephone.

In an embodiment of the present invention, a plurality of target telephones are called on separate telephone lines. In this embodiment, the connection is made such that each target telephone service provider for each respective target telephone of the plurality of target telephones and the source telephone service provider for the source telephone interpret each telephone on the telephone call as participating in a two-party call, thereby negating any conference telephone call charges.